

DATE_HB

48 Second Avenue • Ste. 202 PO Box 170 • Havre, MT 59501 406.265.9226 (voice) 406.265.5602 (fax) www.bearpaw.org (email)

Bear Paw Development Corporation of Northern Montana

Members:

Hill County
Blaine County
Liberty County
Chouteau County
Phillips County
Havre
Chinook
Harlem
Ft. Benton
Chester
Malta
Big Sandy
Ft. Belknap
Rocky Boy's

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Director of Operations: Jenny Morse

Don Swenson

Director of Infrastructure Services: Craia Erickson

Director of Loan Services: Christin Hileman

Loan Technician: Brent Melle

Director of Community Planning: Krystal Steinmetz

Small Business Development Center: Joe LaPlante

Value Added Agriculture Coordinator: Pam Lemer

Infrastructure
Specialist:
Annmarie Robinson

January 12, 2009

Representative Jon Sesso, Chairman House Appropriations Committee Montana House of Representatives Montana State Capitol Building Helena, MT 59620

Dear Chairman Sesso and Members of the Appropriations Committee:

I am writing to urge your favorable consideration of HB 123 by Rep. Llew Jones. This legislation is critical to the ongoing and positive influence of the State of Montana on our statewide economy. By extending the sunset for the programs listed in HB 123, you are assuring a continued partnership between local communities, economic development practitioners, private businesses and the State of Montana that will diversify and strengthen our state economy for years to come.

Bear Paw Development Corporation (BPDC), which has worked on community-driven economic and community development opportunities for more than 40 years, has continually used the state-funded programs in HB 123 to build internal capacity, provide technical assistance and financing to entrepreneurs and improve our rural economy.

Specifically, we have used the following programs in the ways indicated below:

Montana Cooperative Development Center

Through MCDC, BPDC helped to organize a local artisans cooperative that has assisted dozens of Hi-Line artists to display, market and sell their art work. We are currently working with local residents and large employers in the Havre area to organize a daycare cooperative, a much-needed service in the community. Also, a senior housing cooperative is being planned in Hill County that will allow seniors the opportunity to live in a secure, safe, maintenance-free environment, thus freeing-up their homes for sale in a tight housing market.

Small Business Development Center

In 2007, the Havre SBDC provided business development assistance to 51 startup or expanding businesses, which resulted in more than \$1.5 million in funding from banks and other sources. The SBDC in 2007 helped private industry to create or retain a total of 42 jobs in our rural part of northern Montana. Samuel State of the State of th

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Our SBDC also provided over 500 hours of training and 236 hours of one-on-one counseling to small business owners and prospective entrepreneurs.

Certified Regional Development Corporation

As one of twelve CRDCs in Montana, funding from the State of Montana through this program provides our organization with critically important foundational funding that is matched by local government and other funds that allows BPDC the organizational capacity and flexibility it needs to effectively serve the economic and community development needs in our five-county, two-reservation area.

In 2007 alone, BPDC coordinated the investment of more than \$15.6 million into our regional economy. This figure translates into \$173 of outside investment for every \$1 of local government funding we receive annually. This effort is due, in large measure, to the organizational capacity we have been able to build through the CRDC program, and others, as we work to address the pressing economic needs of our region.

Montana Manufacturing Extension Center

MMEC has worked with manufacturers and entrepreneurs in our region to help streamline production and to make these businesses more efficient.

Growth Through Agriculture

BPDC has partnered multiple times with agricultural producers and value-added entrepreneurs to secure funding from the GTA program for projects to enhance our state's rural economy and add value to our area's traditional ag-based commodities.

Thank you for this opportunity to showcase the importance of HB 123 and the critical programs that will be eliminated if the current sunset is not extended.

I urge your strong support for HB 123.

Respectfully,

Paul Tuss

Executive Director